

# **Beyond the Viral Video**

## **The Current Use of Online Video Advertising**

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### **About the Author**

Elizabeth Knips completed a Bachelors of Arts in Global Studies and Spanish at South Dakota State University in 2008. Shortly after, she enrolled in the Strategic Communications graduate program at the University of Minnesota. Currently Knips is the project manager for the creative services department at Wand, Corp. Wand is a software and digital signage solutions company that specializes in quick serve restaurant (QSR) and fast casual dining technology. As the project manager for the creative services team, Knips fosters relationships with QSR companies and manages the development of digital menu board content in a way that both strengthens the brand image within the restaurant and increases profits.

## **Introduction**

In December of 2012, Advertising Age released an article by Matt Fiorentino focusing on the status of the online video. He opened with the shocking statistic that, “People watched branded videos 4.7 billion times in 2012,” and continued to list facts that depict an exploding online market for video consumption. About four years ago Advertising Age partnered with Visible Measures, an online video analytics powerhouse, to create *The Ad Age Viral Video Chart* and at that time a video needed around 220,000 views to make the chart—today a video needs at least 1.5 million to have a chance. Kony, a video designed to bring the injustices of Joseph Kony in Uganda into the mainstream, hit 41 million views in one single day and within six days collected 100 million. Additionally, online video has connected to the holy grail of television advertising: The Super Bowl. Super Bowl ads released online previous to airing during the game generate 600% more views than those not previewed (Fiorentino, 2012).

Given that people chose to watch advertisements 4.6 billion times in 2012, we know that online video has a strong audience and consumers are waiting to see new content (Fiorentino, 2012). With the understanding that branded video is a well-received medium with an incredible ability to capture a willing audience and has potential to grow year after year for the immediate future; it is important that advertisers understand it as a unique medium and learn how and when to use it.

The following study addresses the research questions:

- What is the current state of online video in the advertising industry?
- What are intentions of agencies and corporations as they work to create the content?
- How are companies being successful in the use of online video?

### **Literature Review**

Most of the academic work published that relates to online video advertising addresses the following topics:

- What is online video advertising or how is it defined?
- How is it received by consumers?
- How does it fit in the modern media landscape among other mediums or tactics?

Kargaonkar and Petrescu (2011) focus on the multiple aspects of viral communication. First they offer a brief overview of why viral advertising is a valid topic of discussion. Here the authors discuss the benefits of online technology—high reach capacity and interactivity. There is also a discussion of consumers' comfort and familiarity with online viral advertising. Consumers are increasingly comfortable with online ads as well as their call to share a brand's message.

The true purpose of this article addresses the many aspects or terms involved in viral advertising—electronic word of mouth, viral marketing, buzz marketing, and viral advertising—and how social media affects them all. Each aspect is measured

against five criteria to reveal a unique definition: platform, traditional vs. internet, objectives, type of messaging, and orientation. For example buzz marketing's platform is internet or traditional, its purpose is interpersonal communication, the object is both business and consumer generated commercial communication, and the direction is consumer to consumer. All this information leads to the following definition of buzz marketing, "Peer-to-peer communications as a consequence of viral marketing" (p. 211) (See appendix 1).

The paper then dives into social media and addresses two distinct kinds of social—egocentric and object centric. Egocentric focuses on the network created in effort to socialize and network. This group includes social networking sites like Facebook, Twitter, and LinkedIn. The other group, the object centric, like YouTube concentrate on the sharing of an object like videos or photos rather than connecting on a social level. These two kinds of social media have created an atmosphere where the consumer is in control of the content shared. It has also created interaction among consumers and brands and involved them in a world of super-fast, super cheap viral communication.

The article offers an in depth definition of viral marketing. Here Petrescu and Korgaonkar explain that over the course of time viral marketing has collected several definitions. One of the most basic is online word-of mouth enhanced by the use of networks. Some definitions of viral marketing also include the act of encouraging sharing a message and address an increase in brand awareness and the use of user-generated content. This section also explains some confusion between

viral marketing and viral advertising due to different authors defining them uniquely or using them interchangeably. This study clarifies that viral marketing is (1) instantaneous, possibly global, and has exponential growth potential, (2) builds awareness and buzz and generates word of mouth, (3) includes both online and offline activities, (4) encourages consumers to share marketing messages. Viral advertising is defined as, “unpaid peer-to-peer communication of provocative content originating from an identified sponsor...” (p. 220). Its goal is to increase brand awareness by the passing of a contagious message from consumer to consumer; while companies may pay for the original creation of the ad, the most valuable piece—the sharing—is free. Consumers control viral advertising, which means the content demands controversy, entertainment, or humor.

Petrescu and Korgaonkar also touch on theories that affect social media and advertising. First is Metcalfe’s Law, which explains that the value of a network has direct and positive correlation to the number of connected entities involved. Social synchrony is also mentioned as a theory that explains the tendency of a group to react with the same action in response to a trigger. Never before have there been social networks so readily available to expose to a trigger. Finally diffusion theory is also mentioned. Diffusion occurs when a message of innovation is passed through different channels of a social network. Every social network has a small number of people who are innovators; these people find new products/technology and pass their finding and thoughts onto their social networks thus creating diffusion of the innovation. Because of social media, the innovators’ networks are much larger and create an increased potential to become viral.

Lee and Lee (2011) set out to discover the factors influencing consumers' intention to watch online video advertising. This study used the Theory of Reasoned Action, which examines a person's attitude toward an action to predict that person's intention to perform that same action. The study tested four separate hypotheses against an online survey of 492 responses from college students.

The study found that, "...the more positive the participant attitudes toward watching OVAs [online video advertisements] were and the more that participants perceived there was a social pressure to watch those ads, the greater was their intention to watch these ads" (p. 621). Furthermore the study identified six specific outcomes that consumers expect from watching online video ads: entertainment, information, relaxation, escape, passing time, and social interaction. This study identified a chain reaction that originated in the participants' belief that watching the videos would entertain them, this lead them to judging the outcome as positive, which then lead to a more positive attitude toward watching online video ads. In the end, the study found that online video advertisements should be entertaining in order to enhance consumer attitudes toward watching online videos and thus increasing their intention to watch them.

Golan and Porter (2006) set out to answer three questions in their research:

- Is there a difference between viral and television advertisements in terms of function?
- Do viral advertisements differ from television advertisements in terms of advertising appeals?



- Do the advertising appeals used in viral ads depend on the nature of the industry linked to the product or service?

Golan and Porter explain that advertisers are moving to online video due to the infiltration of digital video recorders (DVR) and the increased media fragmentation in television. The history of viral marketing is also discussed. Hotmail is credited with the first example that truly exploded. The free email service provided by Hotmail placed a footnote at the end of each email, “Get your private, free e-mail from Hotmail at <http://hotmail.com>.” This message was technically an advertisement transmitted by every Hotmail user, and as a result Hotmail collected more than 10 million users in seven months. Later this early example focused on email transmission alone was expanded to form a larger idea of viral marketing—“strategies that allow an easier, accelerated, and cost reduced [sic] transmission of messages by creating environments for a self-replicating, exponentially increasing diffusion, spiritualization and impact of the message” (as cited in Golan and Porter, 2011).

Golan and Porter also bring focus to the message itself and touch on the necessity for a sticky message. Although the messenger of the material is important, the content is equally as important—it must be sticky, meaning it must be memorable, so memorable that it inspires action. This brings to light the issue that not everything has viral potential. Even though creative content can be designed to drive message sharing, some products/services are naturally more viral.

Some early examples of viral advertising are recognized including the work of companies like BMW, Burger King, and Georgia Pacific. BMW produced a mini film series starring actor Clive Owen that was still averaging 80,000 downloads daily even after two years. Burger King launched the website SubservientChicken.com to promote the new BK TenderCrisp Chicken Sandwich and it received 14 million users in the first year. Also Georgia Pacific was noted for its email campaign promoting the new Brawny man makeover—a humorous makeover that made the well-known tough guy character into a sensitive singing musician. However, not all attempts at a viral campaign have been successful. Some companies have found themselves trying to distance their brands from poorly received “leaked” or “unauthorized” advertisements. Volkswagen was criticized for an ad that was released that depicted a suicide bomber whose plan was not carried out because the car in which he set the explosives contained the blast. Hyundai faced a similar issue when their ad based off a failed suicide attempt due to their vehicle’s un-toxic emissions was met with strong criticism. Ford and Nokia also both came under scrutiny with advertisements for their unfriendliness to cats, and recently Mountain Dew pulled a video that was criticized for being both racist and offensive to women. Although Golan and Porter do not mention it, one could argue that even though these videos were seen as offensive or insensitive they still generated earned media attention. This attention promotes a large volume of searches for the videos bringing the brand’s name to the forefront and perhaps still achieving success for the brand in terms of brand awareness and buzz.

Golan and Porter define viral advertising as:

“...unpaid peer-to-peer communication of provocative content originating from an identified sponsor using the internet to persuade or influence an audience to pass along the content to others” (p. 5)

The goal is to create content that is emotional or funny enough to validate a share from one person to another—to the point that if the content is provocative enough, the audience can look past the product being boring.

Of 501 advertisements, Golan and Porter analyzed 235 television ads and 266 viral ads. Each ad was coded on ad length, company (Fortune 500 vs. non-Fortune 500), industry, ad function, and ad appeal.

The study found that, compared to television advertising, viral advertising relies much more heavily on the use of provocative content to motivate sharing. Online advertisements are not regulated by the same Federal Communication Commission (FCC) laws as broadcast advertisements, and therefore can do and say things online that are not permitted by the FCC in television commercials. Also due to the risks in content that the internet allows, non-Fortune 500 companies are seen more often in the viral ads because they are willing to take that content risk unlike most Fortune 500 companies. Humor was found as the universal language in viral advertisements regardless of industry; however, it was noted that issue advocacy and fashion companies did use humor less than the others. Issue advocacy companies, like Truth or the American Cancer Society, were also found as less likely to use nudity and more likely than most to use children in their ads. Also pharmaceutical companies

were found most often using sexuality or nudity in their ads, while the entertainment industry scored highest in the use of violence.

Thomas (2004) dives into the conceptual framework of buzz marketing.

Immediately in the introduction Thomas explains that the term viral marketing is retired and has evolved into buzz marketing. He goes on to define buzz marketing as “the amplification of initial marketing efforts by third parties through their passive or active influence” (p. 64).

Thomas suggests that innovations are adopted by the public in a cycle where those who innovate are the obvious candidates for adopting new ideas first. This idea is consistent with the theory of diffusion on innovation. Robertson (1967) explains that once innovation has taken place, our focus must then shift to its diffusion—“By this is meant the process by which the innovation spreads from its source of invention to its ultimate users or adopters” (p. 14). In studying the diffusion Robertson poses key questions: (1) Is diffusion predictable? (2) Is there such a thing as a first/early adopter and can he/she be identified? (3) How does the influence of advertising compare with personal influence in innovation diffusion? Of course Robertson acknowledges that if answers for these questions were readily available, then the task of marketing an innovation would be considerably easier.

These questions lead us to the earlier work of Rogers (1962). Rogers separated the diffusion of new ideas into four main elements: innovation, communication, time, and the social system. Innovation is the creation of a new idea or object. As a whole, communication is seen as how individuals share information in working towards a

common understanding. Additionally, in the context of diffusion, communication is tied specifically to a message that is shared pertaining to a new idea. Time relates to the time that it takes an individual to move from the introduction to an innovation to adoption or rejection of that innovation. The element of time also refers to the rate of adoption as a whole, meaning how quickly or slowly a group adopts or rejects an innovation in a time period. The social system creates an environment where the diffusion of an innovation is active. The social system creates the boundaries or norms of how innovations are diffused. This involves factors such as: roles of opinion leaders, different agents of change, and consequences of innovation.

It is these elements that Rogers identified that helped create the diffusion curve. The curve is separated into five sections that identify the kinds of individuals that are involved in the diffusion of innovation. First, the innovators are the smallest group of the five and the first to grab onto an innovation. They make up only 2.5% of the total group. Second, the early adopters are the next smallest group with 13.5%; however it is in this group that we start to see an innovation truly gaining momentum. Third, the early majority represents 34% of the group and in this group the innovation peaks at the height of its adoption. Fourth, late majority also represents 34% of the group and starts the innovation's decline in adoption. Finally, laggards are the last to adopt an innovation and make up 16% of the group. (See appendix 2).

Although the curve does not definitely outline the path of each and every innovation, it is a useful model that offers basic understanding of how innovations gain momentum and the variables involved.

It is from this theory of diffusion of innovation that Thomas understands that innovators influence early adopters who spread an innovation through their social networks. Therefore the easiest way to spread innovation is to identify the innovators and convince them to experience a product or service. Thomas sites one extreme example where a firm asked a group of boys ages 8-13 who the coolest kid they knew was. They kept asking until they found the boy who answered that he was the coolest—then they knew they had found the innovator, and that enabled the firm to test a product with only the trendsetters.

Once the innovators experience the new product or service, they do not keep it to themselves—they tell others. They share their experiences and interactions with social media networks, creating an uncoded buzz or a buzz created organically, unsolicited by the company involved. Uncoded buzz is the goal because there are increased levels of trust and credibility that associated with information offered by a friend than information offered by a company. However, firms do not have to sit by and wait for people to get talking about their product or service, instead they can leverage uncoded buzz and create coded buzz with it.

Coded buzz is buzz that has been “...incubated, fostered, and underwritten by the firm” (p. 65). It is closer to what we think of as marketing partly because it is the

role of the company to find the uncoded buzz and repurpose it as a marketing tool.

Coded buzz can be repurposed for many marketing uses such as:

- Testimonials
- Endorsements
- Trial versions
- Observable usage
- Guarantees
- Customer communities
- Embedded customers
- Hosted chat rooms
- Affiliate programs
- Referral programs
- Experiential marketing
- Pass-alongs
- Bounce backs
- Gift registries
- Gift certificates
- Advocacy marketing
- Customer ratings
- Demonstrations
- Preferred customer programs
- Seminars
- Parties or conferences

All of these are chances for firms to either capture new uncoded buzz, chances for firms to create buzz or are end results that come about by repurposing uncoded buzz.

Thomas concludes with the explanation of the ultimate buzz as exceptional value. He explains that having a unique selling proposition is just step one; a firm must then elevate that proposition by delivering a relative advantage, or a relative innovative value proposition. In other words, customers who are wowed by unanticipated value are satisfied at the highest level, which leads to higher retention rates, and buzz creation.

Repurposing uncoded buzz or capturing new coded buzz is important for keeping buzz alive, because as Robertson observes, not everyone will adopt an

innovation. Not everyone will see a product or service as superior to his or her current choice at a given moment in time. This means that the diffusion curve is never actually complete, which gives marketers a chance to innovate tactics as the curve advances to later stages. Although there may be an initial curve cycle when a new innovation is first introduced, not everyone will be exposed and not all of those who are exposed will adopt at that time. This means that marketers have an opportunity to revive buzz in an innovation and essentially restart the curve to an extent. An example of this could come in the form of a rebrand or the revival of a brand through a new product offering or cobranded product.

Robertson also discusses the effect of advertising compared with personal influence. In the 1920s, it was mostly thought that people were operating in a vertical communication continuum, where people received messages from newspapers and radio programs and were influenced to purchase based on that one way communication interaction. However in the 1940s new research came about that suggested an “individual’s primary group” was the source of greatest influence when it came to voting. In fact, the primary group was specifically more powerful in the way of changing voter behavior as opposed to advertising. However, although the majority of people were found to be affected by personal influence, the smaller group of people acting as the influencers was influenced by mass media. A two-step model of communication was then born: mass media to the opinion leaders, opinion-leaders to those less influential.



## **Research**

The literature review portion touched on how online video compares to television advertising and how it fits within viral or buzz marketing, however additional research is necessary chart the evolution of the medium since the time the articles were written. Additionally more pointed research was necessary the three research questions:

- What is the current state of online video in the advertising industry?
- What are intentions of agencies and corporations as they work to create the content?
- How are companies being successful in the use of online video?

Primary research was conducted that included both a qualitative and quantitative study to find how agencies were impacting online video and how consumers were receiving it. Following this research a secondary qualitative piece of research was conducted to directly observe consumers' reactions and engagement levels while viewing online video advertisements.

## **Primary Qualitative**

Interviews with advertising agency and corporate communications professionals were conducted to gain a better understanding of: (1) the demands of the clients regarding online video, (2) the strategy used by agencies regarding online video, and (3) the goals set for online videos and the success measures used. Each participant was asked the following questions:

1. Among your client groups are online videos being used? By who?
2. Are online videos being used in place of other media?
3. What goals are associated with the use of online videos?
4. How do you go about formulating a strategy for their development and use?
5. How are you measuring their success?
6. How/where are you deploying them?
7. Are you coupling them with broadcast? How does this process of content sharing work?

Of course other questions organically flowed into the conversation during the interviews but these seven were the basic guidelines for necessary information. Some were answered in sessions and some did not ever seem to have an answer.

The first interview with DiToro, head of production at Campbell Mithun, was conducted at the Campbell Mithun offices downtown Minneapolis, MN on April 4<sup>th</sup>, 2013. She had an incredible arsenal of information, especially relating to General Mills and their online videos. In regards to whether or not online videos are used in place of other media, DiToro explained that they are not in place of other media but strategically used to capture a unique audience. General Mills utilizes online video mainly as a way to offer value to their customers and interact with them—forging a stronger relationship. Also, online video is used at times in conjunction with a broadcast campaign. The goals associated with their online video campaigns are largely brand awareness or engagement goals. DiToro brought up an interesting point in the discussion of goals and that was a goal of search engine optimization

(SEO). She said that videos move one higher in SEO, and this was part of the inspiration for the creation of the Beerology campaign. The Beerology campaign was a series of videos sponsored by Betty Crocker that featured a cicerone giving lessons about beer: Beer Tasting 101, Pour a Proper Pint, The Flavor Triangle, and Stay Clear of the Skunk. The campaign was Betty Crocker's way of connecting with dads around Father's Day and gaining more visibility during a holiday that is not usually associated with their brand (See appendix 3). The question on how to formulate strategy was a challenging one for DiToro to answer, and for good reason. She explained that like with any advertising campaign creating the strategy always looks different, however; the goal, at least for many General Mills' campaigns, is similar: engagement. DiToro had many great examples of campaigns that General Mills has done to engage consumers. Nature Valley's *Where's Your Nature Valley?* campaign used user generated content to show how and where adventurous Nature Valley consumers enjoyed their favorite Nature Valley snacks. With the Pillsbury holiday greeting video, consumers could watch a holiday message from Pillsbury and then create their own warm holiday greeting and send it to friends and family. General Mills' brands also commonly create engaging how-to or recipe videos.

DiToro's interview was extremely valuable because she put the media into perspective. The famous viral online advertisements make only a small fraction of successful online videos. Most brands produce content similar to General Mills where it is deployed on their website or aided by online banner ads to drive traffic to a site where engagement videos are to build relationships with consumers.

The second interview with Davis, a brand manager of events at Target was conducted at the Target corporate headquarters in Minneapolis, MN on April 5<sup>th</sup>, 2013. Davis offered the perspective of the client, which was important to hear in case it sounded different than the opinions gathered within advertising agencies. Davis managed a group at Target that produced *Falling For You*, a three-part online video campaign. The campaign was newsworthy in the industry for three main reasons: (1) it was Target's first shoppable video (and one of the first ever), (2) it was a three part mini-series, (3) it starred Kristen Bell, a Hollywood actress. In this particular situation, the development of the strategy began outside of Target. Space150, a Minneapolis advertising agency, actually came to Target with the idea, and then later on Olson, another agency, was also included due to strict Target.com regulations that apply to third parties with access to control the Target.com website. So in this particular situation, the strategy was a collaboration between Target and two advertising agencies.

In terms of deployment, both Target.com and Facebook were used to draw views to the videos, as well as a partnered broadcast effort driving people online. In addition, because of the three buzz worthy characteristics, the videos benefited from earned media with sites like Advertising Age as well. Davis explained that while the point of using a shoppable video is to increase sales on the items that are shown, in this particular case the larger goal was to create buzz about the brand and engage consumers. In other words, Target cared more that people were talking about the videos more than they cared if it lifted the sales of the items shown (See appendix 4).

The final interview with Mandle, the Director of Analytics at Colle + McVoy, an advertising agency in Minneapolis was conducted at the offices of Colle + McVoy on April 10<sup>th</sup>, 2013. This interview was unlike the other two because as an analytics director, Mandle does not buy into the hype of a particular media. His world revolves around the facts and data around the client, the target and the goals. Mandle focused on the fact that meeting the advertising goals depends on knowing the client—not the media used. “If they [target audience] love entertainment and they are big into social media then online may be your thing.” Meaning one must know where their audience is, what they’re doing, and what they’re thinking about when you reach them in order to make the link work. This idea of knowing your audience forces the use of online video to be somewhat organic—it must be a natural way to interact with the target. Therefore the creation of an online video is not a good use of extra video assets that didn’t make it into a broadcast spot.

Beyond knowing the target, Mandle also stressed having a clear goal and building around that goal. He commented that so many times the goal is to drive people to a company website and then someone suggests posting a video on the website to drive traffic—that will not produce excess traffic to the site because one must already be on the site to see the video. In this case where the goal is more site visitors, the video needs to grab the target elsewhere and pull them into the site. However, if the goal is to promote the advocacy that a company is doing then yes, interacting with someone already on the site is appropriate.

One particular element of the interview with Mandle was very passionate, and that was the discussion on getting shares of content. Shares and share-ability are a hot trend at the moment and many clients do not mention wanting shares of their content as a goal in the outset and then are disappointed that their content didn't go *viral* or collect record shares. However, they do not understand that was not what the content was designed for. Therefore, Mandle's rule is never bringing up shares unless it is part of the goal from the beginning.

### **Primary Quantitative**

For the quantitative portion of the research a survey was conducted to collect responses about consumers' interactions with online videos from a convenient sample (See appendix 5). Sixty-nine responses were collected from both males and females between the ages of 17 and 62, however, the majority of participants were between the ages of 25-30. The survey began with a basic internet usage question to ensure that the audience spent a significant amount of time online, and 42.03% of the participants spent over 20 hours a week online, and an addition 20.29% spent 15-20 hours online. These responses gave proved that the sample had encountered enough online ads to be useful in the rest of the survey.

The first question that addressed online video advertising asked participants to identify where they most often encountered these ads, and as one may have predicted the two most popular answers were (1) on entertainment sites like Hulu, YouTube, and HBO and (2) social media sites like Facebook and Twitter. The following two questions speak to how much people do not like to be interrupted

during their online time. First participants were asked to rate their likelihood of clicking on an online ad on a scale of one to ten, ten being very likely, and nearly 70% chose one or two. Then 75% answered false to the question, “I prefer to view a video ad rather than one that I read.” These two questions suggest that because consumers don’t like to be interrupted by videos and they rarely click on ads to willingly watch videos, the content that is put before them would need to be very compelling to keep them in a positive attitude toward the ad. Additionally, the next question revealed that 83.82% of the participants skip any online video ads as soon as they are allowed, which further strengthens the case for highly compelling or provocative content.

When asked which factors of an ad would increase the likelihood of watching until the end, 61% said entertainment is the key to watching longer.

After touching on how people interact with organically encountered online ads, the survey addressed whether or not people sought ads out or shared ads with friends based on content. As a response to “Have you ever searched for an ad online?” there was an exact 50/50 split between yes and no. Then in response to a question that addressed if anyone had shared an ad or received a shared ad and what about the content inspired the share, there were 52 responses total—28 of which said they had never shared or received an ad while 24 said they had either shared or received an ad. Of those who confirmed a share, 12 cited humor as the reason, while four called the content newsworthy, and three specified the ad as heartfelt and three others were inspired by a coupon or offering. Finally to really understand people’s

commitment to interacting with brands I asked participants if they have ever submitted their own original content to a brand for its use and of the 58 that answered, only three said yes, they had submitted user-generated content.

### **Secondary Qualitative Research**

As mentioned earlier this portion of research was conducted to directly observe consumers' reactions and engagement levels while viewing online video advertisements. In this section, a convenient sample of three females and four males all between the ages of 25 and 35 participated in a focus group. The group viewed ten different online video advertisements that were chosen based on the video's unique approach or characteristics. The focus group's reactions were recorded as well as their comments and responses to questions after viewing each video. Most questions were asked after each video, however; in some cases organic conversation brought on questions or comments that were not repeated after every video.

The first video shown was an advertisement done by T-Mobile called *Welcome Home* (See appendix 6). It was uploaded to YouTube in October of 2010 and currently has 13.4 million views. Set at Heathrow airport in London, it features musicians welcoming home travelers in a flash mob style where the audience is surprised by the outbreak of song. This video was chosen because the content simulated an original video like the tapping of a flash mob and also because T-Mobile chose to wait until the very last seconds to involve the brand, and even then there was no message directing the audience to a product but rather a branding message—"Life's for sharing." As the focus group watched there were clear signs of enjoyment. Each



person was engaged in the content smiling at the images of families and friends greeting one another as travelers returned home. Even some laughter was heard by those connecting emotionally with the content. After viewing the ad, it was clear that the group was unaware that they were watching an advertisement. It was also clear that they were surprised to see T-Mobile at the end; someone even commented, “What – that had nothing to do with phones?!” When asked if they had been allowed to skip the ad, there were mixed answers. Some thought, yes they would have skipped it eventually because it was too long; however, others were entertained to the point where they would continue watching until the end. Though everyone seemed entertained during the viewing, it was not enough to inspire the group to want to share the video with a friend via social media or conversation.

The second video introduced to the focus group was Oxy’s *Man Sized Problems* ad that features a compilation of graphic zit popping scenes (See appendix 7). This advertisement was chosen because it features user-generated content (UGC). The use of UGC here does two things: (1) brings authenticity to the ad (2) brings a true “YouTube feel” to the ad because of the lack of high production video. At the end of the video, Oxy address consumers with the message “Man Sized Problems, Man Sized Solution – Oxy: Engineered for male skin.” The focus group was engaged in this video as well and it was apparent with the laughter and exclamations like, “ohhh sick!” and “Gross!” Although, UGC content makes the ad feel more authentic, the group still thought that it felt like an ad. They explained that it wasn’t due to the actual content but rather how the content was put together. They realized it wasn’t an actual YouTube video submitted by a user because there wasn’t much for

background or talking—just clip after clip set to music. However, even though they knew it was an ad they commented that they would not skip it and they would even share it with friends. The group connected with the content because it used “just normal guys” and the product fit naturally with the content.

The third video was one done by Old Spice called *Muscle Music* (see appendix 8). It features actor and former NFL player, Terry Crews, who is connected to a medical device that allows him to control musical instruments through the flexing of specific muscles. This video has a unique feature in that towards the end of the video Terry Crews tells viewers that they can make music using their keyboards to control his muscles. The video not only engages viewers, but allows them to interact with the brand on a new level. Also interesting is that Old Spice chooses not to name itself in an obvious way; the brand’s only appearance is on a TV screen in the background that reads, “Old Spice Danger Zone.” After viewing this piece, some from the focus group knew it was an Old Spice commercial just because they recognized Terry Crews, however, others did not know and did not notice the TV screen in the background. Everyone in the focus group was entertained and remarked that they would not have skipped through the ad and that they would even share it. When asked to comment about why they would share it most said that it was because the video was “outrageous” or because they knew people who were fans of Terry Crews.

The fourth video was part of Ragu’s new campaign focusing on “A long day of childhood” this particular piece is entitled *Charlie Bit Me, Behind the Finger* (See appendix 9). It features two brothers that were the stars of an actual viral video

where the little brother bit the finger of the older brother. The ad begins in a documentary style with the brothers explaining what had happened in their original viral video. Then a song about Ragu begins and explains that the boys deserve Ragu because “Growin’ up is tough.” After viewing this video, the focus group looked annoyed. Although there was some enjoyment at the beginning due to the familiarity of the brothers’ original viral video; by the end of the advertisement the group was confused as to why Ragu would use Charlie and his brother. One participant said, “They’re trying to use something totally unrelated to be relevant.” The group agreed that they did not think the content and the brand were a good fit and that they would not share the ad.

The fifth video was a Betty Crocker advertisement from the Beerology series entitled *Beerology: Choosing the Right Glass* (See appendix 10). This piece is part of a series that Betty Crocker released around Father’s Day to target men. The ad was chosen because of its tutorial style in which it teaches the viewer about how to choose the best cup for a specific type of beer. The group’s immediate reaction was that it did not feel like an ad at all. They were definitely engaged and felt as though they were learning. Most group members thought that they would share the video or even search for more after they knew the video series existed. However, it did not change the way they thought of Betty Crocker and they did not think it tied to the brand very well.

Expedia’s *Find Your Understanding* was the sixth video that the focus group viewed (See appendix 11). This piece is one part of an ongoing series that Expedia released

referred to as the “Find Yours” Campaign. This particular spot took the viewer through the journey of one father as he came to terms with and eventually embraced his lesbian daughter and her marriage to her partner. After viewing the ad, the focus group thought that it felt more like an ad than some of the other videos due to the production value. They felt that although they were engaged in the story, perhaps it was meant to really connect with an older generation, the father’s generation rather than the daughters. The focus group also mentioned that they would not share this video with friends nor did it affect the way they thought about Expedia.

The Seventh video was Sony Bravia’s advertisement, *Bouncing Balls* which was part of their Color Like No Other campaign (See appendix 12). This video shows thousands of brightly colored bouncy balls bouncing down a street in San Francisco. There is no sound used in the video besides a very calming song played throughout the whole piece, and at the very end Sony lets the viewer know that the video is an advertisement with the line “colour like no other” then shows a quick shot of the Sony Bravia LED TV. The focus group had a mixed reaction to this video. Part of the group did not like the ad at all because they thought it was boring and definitely too long. The other part of the group liked the video, they thought that it was a little too long but that it had great visuals and they liked that it didn’t have a story line—they could just watch and listen to the song. However this group still said that they would not share the ad just because it was an ad, but that if it had not had the ad portion at the end they would have. Overall though, both groups thought that the ad fit the product and thought it reflected positively on Sony.

Jeff Gordon and Pepsi came together to create the eighth video—*Test Drive* (See appendix 13). In this video, which was also developed to a broadcast spot, Jeff Gordon goes to a car lot incognito and test drives a Camaro with a salesman. During the test drive he begins to drive recklessly and ends up scaring the salesman with tricks to the point where the salesman is cursing and begging Jeff to stop the car. At the end of the drive, Jeff takes the car back to the lot and reveals himself to be Jeff Gordon. While viewing the advertisement, the focus group was engaged and laughing. After the video finished, they commented that the spot was entertaining, if they had the option to skip they probably would have kept watching, and they would even share it with friends. However, the comment was also made that they would not watch it again if given the opportunity, which is interesting given the high entertainment value apparent. Overall the group also thought that it was an obvious advertisement for Pepsi and that the content only, “kind of matched Pepsi.”

The ninth video shown was Dove’s *Real Beauty Sketches* (See appendix 14). In this piece, women are interviewed by a forensic artist who asked them to describe their own facial features. The artist completes a drawing using their conversation and then creates a second drawing where the same women are described by strangers. Finally, the artist reveals both drawings to the women and it is revealed how harshly the women judge their own beauty while complete strangers can see the beauty in them. The focus group definitely felt the difference of this emotional piece as opposed to the humorous pieces seen earlier, but it was clear that this piece affected the females in the group differently than the males. The females were the only people in the group who said that they would share this piece with a friend.

Also although everyone agreed that it felt like an ad from the beginning, everyone was excited to see the drawings. Additionally the group thought that the content fit the Dove brand very well and further developed their idea of seeing the beauty in non-model women.

Finally, the last video shown to the focus group was Red Bull's *Supersonic Freefall* (See appendix 15). This video features video footage of a record breaking skydive sponsored by Red Bull. It is a true example of branded content because nowhere in the video does Red Bull mention a product or their brand in an unnatural way. The brand is present quite a bit in the video, however, it's on people's clothing and equipment. The focus group responded very positively to this video and remarked that it did not feel like an ad at all. They also commented that they would both search for it on the internet and share it with friends. Additionally they thought it was a perfect fit of the brand's personality and the content.

## **Discussion**

### **What is the current state of online video in the advertising industry?**

To really pinpoint the current state of the medium within the advertising industry one must first have a clear understanding of what people refer to as online video. This brings back the question posed at the beginning of the literature review—what is online video advertising or how is it defined. Kargaonkar and Petrescu tackled the issue of terminology; illustrating how viral marketing, buzz marketing, viral advertising all fit together including where they overlap and how they are different. Where at one time online video advertisements were seen solely as a component of

a viral marketing or buzz marketing campaign, the medium has grown into a stand-alone medium that is a viable option for many communication goals. DiToro and Mandle both gave testimony to the fact that online video advertising is not just a medium to create buzz, but rather it is an option to connect and engage consumers on a new level and should be considered along with print or broadcast when assessing the best ways to reach a consumer group.

DiToro spoke more at length about the use of online videos by General Mills and their goals to reach consumers on an intimate level and engage them to the point of interacting with the brand or drive people to a specific brand website. Another goal that General Mills executed with online videos was educating consumers. Brands like Betty Crocker benefit from tutorial style branded content videos where users view videos to learn something without thinking of the video as an advertisement. These examples support the idea that the use of online videos has extended beyond the trend of *going viral*.

However, even though the use of online video is becoming more standard, the idea of viral advertising and the creation of a viral brand message are still at the forefront of the mind of many advertisers. The term viral alone is still a buzz word among advertisers and it carries some *golden egg* connotations, meaning some advertisers understand success as a video going viral. As Mandle explained, even those advertisers who did not set out to strategically create content to go viral or be shared end up asking for numbers on shares because the idea of going viral is on trend.

It is here that it is necessary to distinguish a viral online advertisement and an online advertisement created to generate buzz. Not all advertisers have the ability to create a viral online advertisement. Golan and Porter bring to light that some products and services are more naturally inclined to produce viral content than others. For example a brand like Red Bull, which is aligned with young energetic risk takers, is far more likely to produce content that goes viral compared to a brand like Boniva, a pharmaceutical product that treats osteoporosis. This is because, as Lee and Lee discussed, a consumers' likelihood to view an online video is directly related to their perception of how entertaining the video will be. After understanding that the number of views of an online video is positively correlated to the video's entertainment value, one can understand how a brand with an exciting or lively persona would be more likely to produce a viral advertisement than one with a serious or safe brand persona. Of course there are exceptions to this idea, as there are many examples of brands that one might consider safe or serious that have had viral advertisement thanks to the creation of highly entertaining content. For example, Volkswagen has a brand image that many relate to the family sedan with room for kids and high safety ratings; however, Volkswagen also had a large impact online with both *The Force* and *Get In. Get Happy* (See appendix 16).

It is with these videos that do end up generating large volumes of shares where we see the curve of innovation diffusion come to life. When advertisers know their customers well and create great content, they can pinpoint early adopters who will pass their message along to their social circles. The early adopters influence trends



in their circles and will ultimately inspire the early majority to grab ahold of the video, and thus make the video viral.

There are online ads created to generate buzz even without going viral. Davis's example of Target's *Falling For you* is a perfect example. The idea behind this video series was not necessarily to go viral, but to gain earned media attention because of its groundbreaking format. The series was picked up in stories by AdWeek, People StyleWatch and Advertising Age's Creativity-Online among numerous other advertising and style publications.

### **What are intentions of agencies and corporations as they work to create the content?**

At one time, the intention of advertisers using online video was focused on going viral or creating shares. Viral videos clouded the spectrum of the online video possibilities; therefore, many did not associate online videos with larger communications goals.

However, the beauty of the growth of online video as an advertising medium is that advertisers and agencies especially are more educated about the medium and have experienced success using the medium in diverse ways. This means that their intentions when developing an online video campaign are not inhibited by the medium, but instead as Mandel explained, advertisers and agencies can follow the brand's existing strategy to create goals for an online video campaign. For example if a brand had discovered that not many consumers were familiar with their product or service, then an advertising campaign to boost brand awareness would be

appropriate. If research showed that the target consumer of this brand spent a large amount of time online, online video advertising would be a viable medium to reach target consumers and introduce them to the brand; thus increasing brand awareness.

Although there are some online videos that are executed for the purpose of gathering shares or creating buzz, which is still a valid use of the medium, there are more and more advertisers creating online videos with the intention of reaching a larger communications campaign goal.

### **How are companies being successful in the use of online video?**

When intentions for creating online video are in line with a brand's messaging strategy then specific goals are in place to measure a campaign's success. Davis explained in the interview that had the *Falling for You* video been measured against sales to determine its success it would have been deemed unsuccessful. However, because the correct success criteria were determined given the campaign's overall goals the video series was deemed a success even without making a large sales impact. The video series brought national attention to Target's clothing line and Target's role as an innovator in the industry because of the use of the shoppable technology, the mini-series format, and the involvement of actress Kristen Bell.

DiToro explained that the goals associated with online videos done for General Mills' brands are most often brand awareness or consumer engagement goals. Many times number of views of a video are good indications of how many consumers the videos are reaching, however, that does not necessarily translate to the engagement level of

the consumer or the level of awareness that the video inspired. These goals are harder to measure against and usually an online video is just part of a whole campaign attempting to engage or increase awareness. DiToro touched on the use of online video as a companion of another medium. Nature Valley's *Where's your Nature Valley* is a great example of a broadcast campaign working in tandem with both an online video campaign and a website engagement portal. Both broadcast spots and online videos were aired using user generated content that had been harvested by the brand's website, plus there was a call to action after the branding message that encouraged consumers to visit the brand webpage and interact with the brand by sharing their *Where's your Nature Valley* story. In this case, each particular medium has distinct goals; however, there are also larger goals that belong to the campaign as a whole, so it becomes increasingly difficult to attribute successes to a particular piece of the plan.

In addition to how advertisers use online videos, the content itself plays a large role in how successful it is with consumers. From the survey results, it is obvious that consumers are spending enough time online to make online videos successful. Inspiring consumers to watch a video in its entirety or even seek a video out involves many factors, but the entertainment factor is definitely key. Throughout both the survey and the focus group and the research from Lee and Lee entertainment was a constant factor in increasing positive attitudes towards a video. The videos shown to the focus group involved countless different characteristics that seemed to make little impact on the perception of the video on consumers. It did not matter whether the videos were consumer generated content

like the Oxy spot or high production content like the Sony piece—both pieces were entertaining. It also did not matter whether the content was built to tell a story like Expedia's *Find Your Understanding* or Dove's *Real Beauty Sketches* or whether it was built to teach the consumer or deliver a how-to like Betty Crocker's *Beerology* series. As long as the content is interesting or entertaining there is no magic formula.

However there were two characteristics that did seem to sway the opinions of the focus group: brand presence and length. Brand presence is an intricate detail, because the brand definitely needs to be present in order to reap the benefits of the message; however, focusing too much on the brand can ruin the content and cloud the message. Red Bull's spot captured the brand perfectly because every time the brand appeared it was part of the story. The most common option is to share the story and follow it with a branding message, not a sales message, at the end like both T-Mobile and Expedia. Length of a video can ruin even the best content just because of the time it takes away from the original goal of the consumer. Most times consumers are not setting out to view an ad, which means the ad is an interruption, so to remain impactful it cannot be too long.

Even though those two details are important, there is still is no magic combination to create a successful online video, which should be liberating for advertisers. The focus group showed Ragu's *Charlie Bit Me, Behind the Finger* attempt to piggyback off a viral video to launch their own was off the mark and annoying to consumers. Ragu clung to the idea of viral videos so intensely that they inhibited themselves from creating a video that consumers were truly entertained by. Both Pepsi and Red

Bull however, understood they needed to entertain consumers with humor, action, and excitement, and for them the viral portion came naturally.

Overall, measurements of success are seen by watching the growth of a video through numbers of views and shares, through gaining earned media because of innovation or creativity, and also by re-visiting the original research that identified the communication obstacle or issue and measuring to see if progress to solve the communication issue was made. Additionally the content itself needs to be both honest to its brand identity and entertaining for the brands consumer, but there is no magic recipe—successful online video content will be specific to each brand.

### **Limitations**

Online video as we use and see it today is still very new, so there is not an abundance of information available on the topic because. This was a limitation in especially impactful in the literature review. Although there is plenty of research available on the topic of buzz marketing, that only touches a portion of online video and some studies may not even include online video at all. The number of interviews conducted was not enough. More interviews with both corporate communication and agency professionals would have been preferred. Also, not being able to specifically analyze one specific video campaign with each interviewee made it difficult to compare the information received from each person. Ideally documenting full creation and deployment of a video with each candidate and then discussing the goals and results of each would have added insight to all three research questions. In the survey a true random sample of a larger populous would

have given me more reliable information as to the attitudes of the status quo.

Similarly, in the focus group, although the number of people was fine, having a random sample instead of a convenient sample would have been preferred, as well as conducting more than one to ensure opinions were consistent.

### **Conclusion**

However, even though limitations existed in both the literature review and research sections; knowledge of the evolution of online video and insight into how it is being used today was uncovered. Online video has evolved from early forms of buzz/viral marketing and is currently being used mainly as an engagement or brand awareness tool. Companies across all industries are using it and should be using it provided they are keeping their videos in line with their overall strategy. Most importantly content is king in the effectiveness of an online video campaign—entertainment values keep viewers.

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# Appendix 1

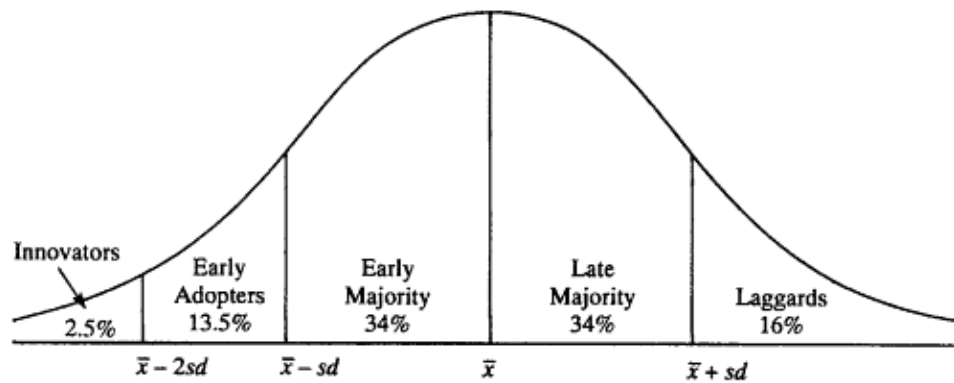
**TABLE 1** Viral Concepts and Definitions

	Definition	Purpose	Platform	Object	Direction
Social media	Online media oriented toward social interaction, networking and information exchange	Social interaction	Internet	User-generated content	Consumer-to-consumer
WOM	Verbal consumer-to-consumer communication, unpaid, regarding a brand or product	Interpersonal communication	Traditional verbal communication	Consumer-generated opinions	Consumer-to-consumer
Viral marketing	Online and offline marketing activities performed to influence consumers to pass along commercial messages to other consumers	Forward of commercial messages	Internet	Business-generated commercial messages	Business-to-consumer-to-consumer
Buzz marketing	Peer-to-peer communications as a consequence of viral marketing	Interpersonal communication	Internet and traditional	Business- and consumer-generated commercial communication	Consumer-to-consumer
eWOM	Electronic consumer-to-consumer communication regarding a brand or product	Interpersonal communication	Internet	Consumer-generated opinions	Consumer-to-consumer
Viral advertising	Unpaid electronic (e-mail, Web, or social media) distribution of business or user generated advertisements from consumer to consumer, based on ad content likeability, entertainment, and controversial characteristics	Forward of commercial advertising	Internet	Business- or consumer-generated advertising	Business-to-consumer-to-consumer

*Note.* WOM = word-of-mouth. eWOM = electronic word-of-mouth, or word-of-mouth.



## Appendix 2



## Appendix 3

<http://www.youtube.com/user/BettyCrockerTV/videos>



**Beerology: Steer Clear of the Skunk**

1,076 views



**Beerology: Choosing The Right Glass**

774 views



**Beerology: Pour a Proper Pint**

539 views



**Beerology: Beer Tasting 101**

782 views



**Beerology: The Great Debate- Lager vs. Ale**

578 views



**Beerology: The Flavor Triangle**

428 views

## Appendix 4

[http://fallingforyou.target.com/#?lnk=snav\\_rd\\_falling\\_for\\_you&originalSearchTerm=falling+for+you](http://fallingforyou.target.com/#?lnk=snav_rd_falling_for_you&originalSearchTerm=falling+for+you)

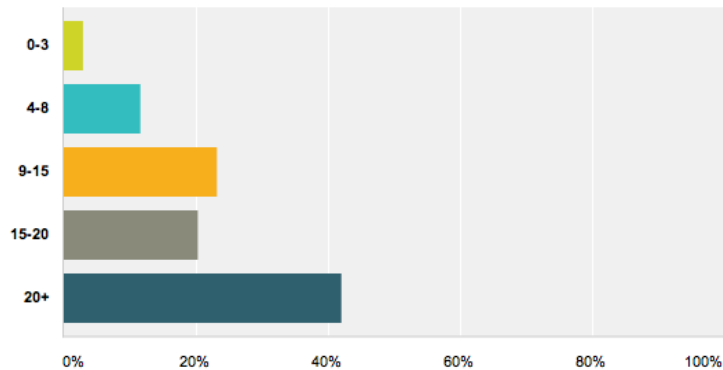


## Appendix 5

Survey (open text questions have been omitted)

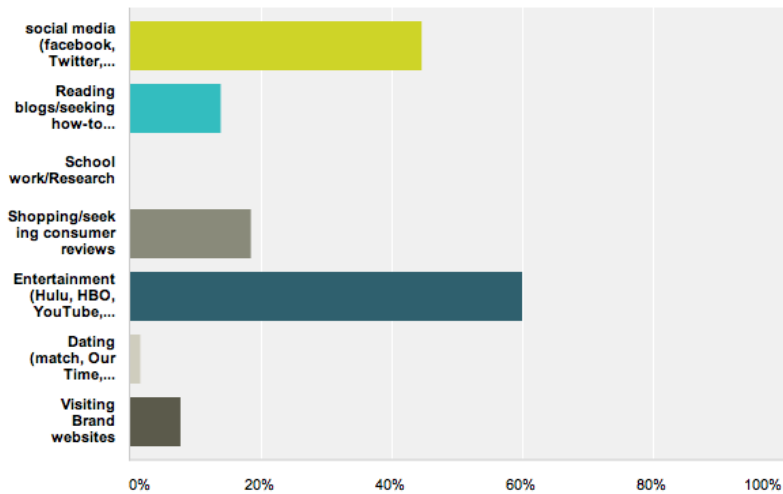
**On average, how many hours a week do you spend online (please include all formats: PC, tablet, mobile)**

Answered: 69 Skipped: 0



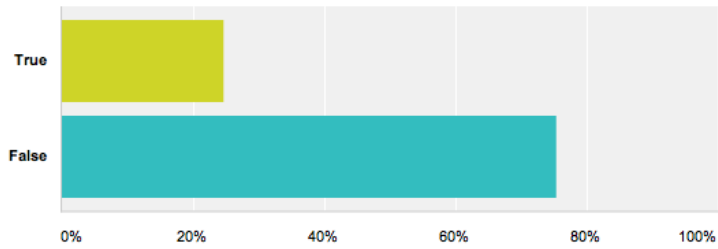
**When you encounter video ads, which of these are you usually doing online: (categories are not limited to examples shown)**

Answered: 65 Skipped: 4



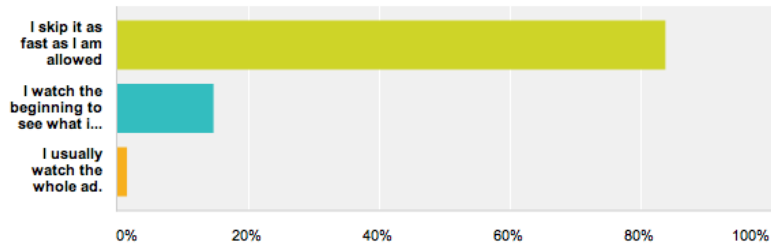
**I prefer to view a video ad rather than one that I read.**

Answered: 69 Skipped: 0



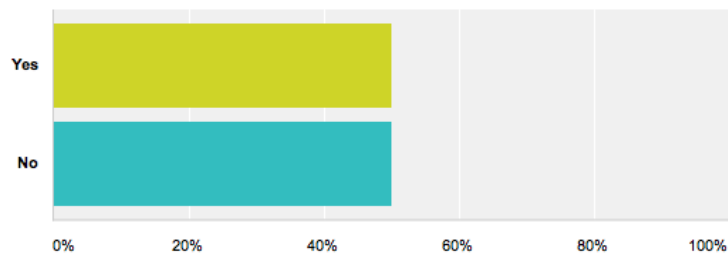
**When you encounter a video ad online, which of the following best describes your action:**

Answered: 68 Skipped: 1



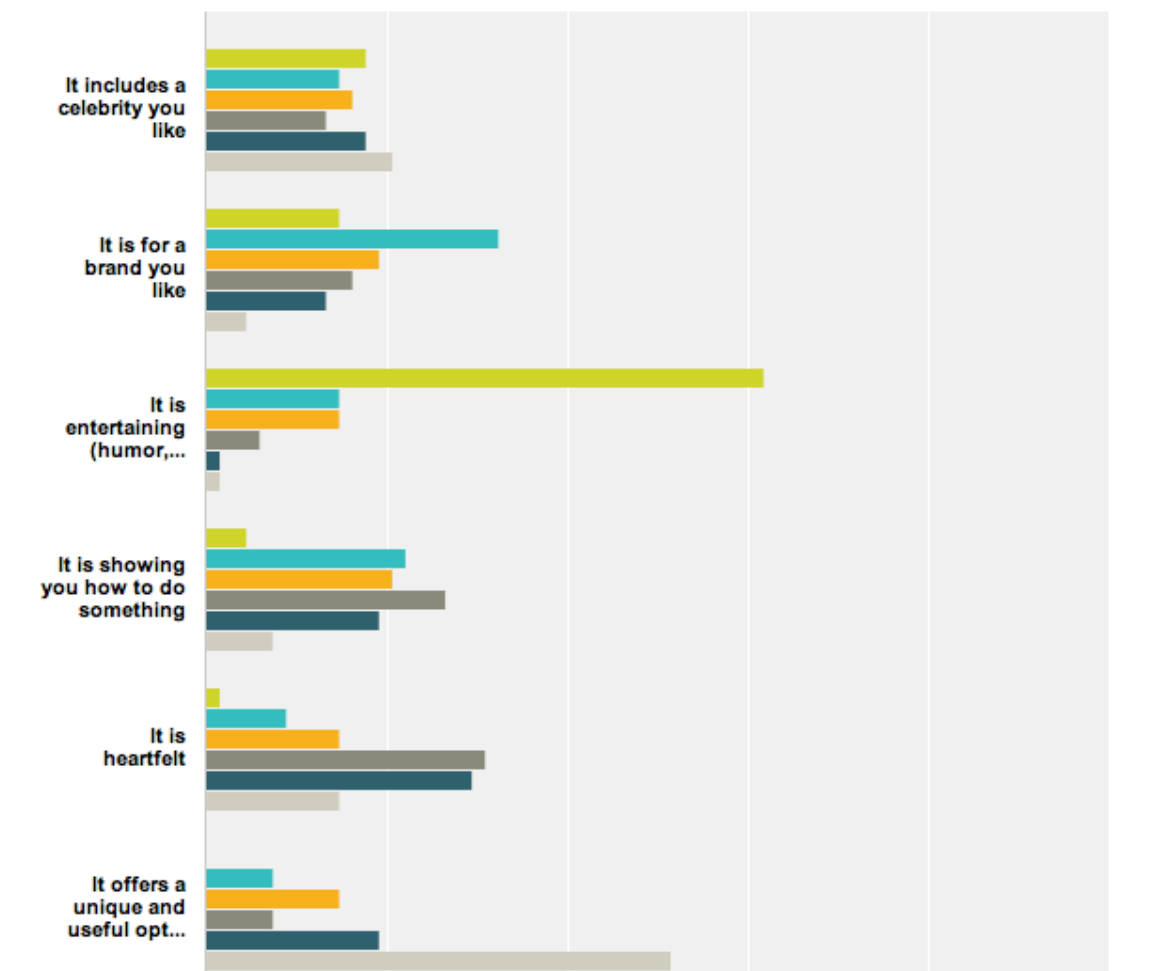
### Have you ever searched for an ad online?

Answered: 68 Skipped: 1



### Rank which of these factors would increase the likelihood of you watching a full ad - 1 being the factor that would most likely make you watch until the end.

Answered: 68 Skipped: 1



Appendix 6

<http://vimeo.com/25818447>

Appendix 7

<http://www.youtube.com/watch?v=l0cAaYW5Ri4>

Appendix 8

<http://www.youtube.com/watch?v=yZ15vCGuvH0>

Appendix 9

<http://www.youtube.com/watch?v=2Wfb-dlAPOM>

Appendix 10

<http://www.youtube.com/watch?v=LHjS2V6Z9-0>

Appendix 11

<http://www.youtube.com/watch?v=ThzdsnXeE28>

Appendix 12

[http://www.youtube.com/watch?v=0\\_bx8bnCoiU](http://www.youtube.com/watch?v=0_bx8bnCoiU)

Appendix 13

<http://www.youtube.com/watch?v=Q5mHPo2yDG8>

Appendix 14

<http://www.youtube.com/watch?v=XpaOjMXyJGk>

Appendix 15

<http://www.youtube.com/watch?v=FHtvDA0W34I>

## Appendix 16

<http://www.youtube.com/watch?v=9H0xPWAtaa8>

<http://www.youtube.com/watch?v=R55e-uHQna0>